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CONTACT: Brian Cook: (202) 225-3202

Karen Lightfoot (Waxman): (202) 225-5051

Jodi Seth (Dingell): (202) 225-2927

Andrew Souvall (Pallone): (202) 225-4671

Joanna Kuebler (Brown): (202) 224-3949

NEW GAO REPORT REVEALS CONTINUING PROBLEMS RESOLVING

MEDICARE DRUG PLAN COMPLAINTS AND GRIEVANCES

WASHINGTON, DC — A new GAO report released today finds that almost three years after the Part D drug program went into effect, CMS still faces significant and continuing problems resolving complaints and grievances filed by seniors and the disabled. The report was requested by Reps. Pete Stark, Henry A. Waxman, John Dingell, Charles Rangel, and Frank Pallone, and Sen. Sherrod Brown.

“This GAO report shows once again the problem of a privatized drug benefit. Because this benefit is only available through private companies, they have a greater interest in their profits than they do sharing data with CMS to ensure that patients get the medications they need,” said Rep. Stark. “That’s why I fought for a drug benefit in Medicare and why I continue to think that a reform is needed to make the Part D program work for America’s seniors and people with disabilities — not just the pharmaceutical industry.”

“CMS needs to do a better job of protecting beneficiaries,” said Rep. Waxman. “The complaint resolution process is taking so long that

seniors could run out of essential medicines.”;

“Because of CMS’s failure to conduct adequate oversight of the Medicare drug plans, we don’t have a clear picture of how many beneficiary complaints are being resolved appropriately and in a timely manner,” said Rep. Dingell. “This situation is unacceptable — seniors and people with disabilities deserve better. CMS needs to strengthen oversight of Part D plans immediately.”;

“Once again, CMS has dropped the ball in terms of properly monitoring Medicare Part D plan sponsors,” said Rep. Pallone. “It’s time for the agency to exert its oversight of these plans to make sure that beneficiaries’ concerns are fully addressed in a timely manner so that seniors can access the medicines they need.”;

“Based on this report, the Bush administration can’t tell whether private drug plans are serving seniors or shortchanging them. These for-profit plans hold all the cards when it comes to seniors’ access to needed medicines. Oversight shouldn’t be an option, it should be a given,” said Sen. Brown.

Under Part D, enrollees with problems relating to drug coverage and payments, plan enrollment, or other issues can file a grievance directly with their drug plan or a complaint with CMS. GAO analyzed the number and type of grievances and complaints filed by Part D enrollees and reviewed CMS oversight of the complaint and grievance process.

GAO found that there have been 630,000 complaints filed with CMS against drug plans since Part D went into effect, most involving plan enrollment and disenrollment problems. Although GAO found that the number of complaints, and the time to resolve them, had declined in the first two years of the program, GAO also found that “a substantial proportion of the most critical complaints — those filed when beneficiaries were at risk of exhausting their medications — were not resolved within CMS’s applicable time frames” and that progress in meeting the time frames recommended for resolution has “largely stagnated.”;

Specifically, GAO found that 53% of “immediate need complaints” and 27% of “urgent need complaints” — over 75,000 immediate or urgent need complaints — were not resolved in a timely fashion. As a result of these problems, GAO raised concerns that “beneficiaries may deplete their medications before their complaints are resolved.”;

GAO also analyzed grievances filed directly with the drug plans. GAO reported that although CMS encourages Part D enrollees to file grievances directly with plans when they have problems, the agency is conducting little oversight of this process. As a result, GAO raised questions about whether plans are providing “erroneous and inconsistent” grievance information to CMS and concluded that “there is

little assurance that beneficiaries's grievances are resolved," or that they are "resolved in a timely manner."

The complete report is available online at www.oversight.house.gov.